§ 1739.19

as other terms and conditions applicable to the individual Project.

§ 1739.19 Reporting and oversight requirements.

- (a) A project performance activity report will be required of all recipients on an annual basis until the Project is complete and the funds are expended by the applicant. Recipients are to submit an original and one copy of all project performance reports, including, but not limited to, the following:
- (1) A comparison of actual accomplishments to the objectives established for that period;
- (2) A description of any problems, delays, or adverse conditions which have occurred, or are anticipated, and which may affect the attainment of overall Project objectives, prevent the meeting of time schedules or objectives, or preclude the attainment of particular Project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and
- (3) Objectives and timetable established for the next reporting period.
- (b) A final project performance report must be provided by the recipient. It must provide an evaluation of the success of the Project in meeting the objectives of the program. The final report may serve as the last annual report.
- (c) RUS will monitor recipients, as it determines necessary, to assure that Projects are completed in accordance with the approved scope of work and that the grant is expended for Eligible Grant Purposes.
- (d) Recipients shall diligently monitor performance to ensure that time schedules are being met, projected work within designated time periods is being accomplished, and other performance objectives are being achieved.

§1739.20 Audit requirements.

A grant recipient shall provide RUS with an audit for each year, beginning with the year in which a portion of the financial assistance is expended, in accordance with the following:

(a) If the recipient is a for-profit entity, an existing Telecommunications or Electric Borrower with RUS, or any

other entity not covered by the following paragraph, the recipient shall provide an independent audit report in accordance with 7 CFR part 1773, "Policy on Audits of RUS Borrowers."

(b) If the recipient is a State or local government, or non-profit organization, the recipient shall provide an audit in accordance with 7 CFR part 3052, "Audits of States, Local Governments, and Non-Profit Organizations."

§ 1739.21 OMB control number.

The information collection requirements in this part are approved by the Office of Management and Budget (OMB) and assigned OMB control number 0572–0127.

Subpart B [Reserved]

PART 1740—PUBLIC TELEVISION STATION DIGITAL TRANSITION GRANT PROGRAM

Subpart A— Public Television Station Digital Transition Grant Program

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Subpart B [Reserved]

AUTHORITY: Consolidated Appropriations Act, 2005; Title III: Rural Development Programs; Rural Utilities Service; Distance Learning, Telemedicine, and Broadband Program; Public Law 108-447.

Source: 71 FR 3206, Jan. 20, 2006, unless otherwise noted.

Subpart A—Public Television Station Digital Transition Grant Program

§1740.1 Purpose.

The purpose of the Rural Utilities Service (RUS) Public Television Station Digital Transition Grant Program (Grant Program) is to enable public television stations serving rural areas to transition from broadcasting in analog to digital, as required under the Federal Communications Commission rules, by awarding grants through a competitive process.

§ 1740.2 Definitions.

Core coverage area is the set of counties fully covered, or at least 75% covered, by a digital television transmitter or translator.

Coverage contour area is the area estimated to receive a digital television signal from a transmitter or translator of 41 dB μ for UHF signals, 36 dB μ for channel 7–13 signals, or 28 dB μ for channel 2–6 signals, as shown on the public television station's map filed with the FCC.

Digital television, or DTV, means the digital television system which will replace the current analog system.

Digital transition means the transition from analog television broadcasting to digital television broadcasting. To transition according to FCC rules, a broadcaster must initiate digital television broadcasting while continuing to operate analog television broadcasting until December 31, 2006, to enable viewers the necessary time to acquire digital television reception capability.

Distance learning means any digital public television broadcast to a school, library, home, or other end-user site located in a rural area, for the purpose of providing educational and cultural programming.

Grant Program means this Public Television Station Digital Transition Grant Program.

High definition television, or HDTV, means an enhanced television service which is authorized by the FCC as part of the digital television standard.

Public television station means a noncommercial educational television broadcast station that serves rural areas and is qualified for Community Service Grants by the Corporation for Public Broadcasting under section 396(k) of the Communications Act of 1934.

Rural area means any area of the United States not included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 20,000 inhabitants.

Rural population means the number of people within the core coverage area of a transmitter who do not live within the boundaries of an incorporated or unincorporated city, village, or borough having a population in excess of 20,000 inhabitants as calculated pursuant to Section 1740.8(c)(1).

Rural Utilities Service, or RUS, is a Rural Development agency of the United States Department of Agriculture, which will administer this Grant Program.

Urban area means any area of the United States which is not a Rural area.

§1740.3 Applicant eligibility.

Eligibility for grants is limited to public television stations that serve rural areas, regardless of whether urban areas are additionally served.

§ 1740.4 Maximum amounts of grants.

The maximum grant amount shall be announced in each fiscal year's Notice of Funds Availability.

§1740.5 Matching funds.

No matching funds are required in this program.

§ 1740.6 Eligible purposes of grants.

Grants shall be made to enable applicants to perform digital transitions of television broadcasting serving rural areas, regardless of the location of their main transmitter. Grant funds may be used to acquire, lease, and/or install facilities and software necessary to the digital transition. Specific purposes include:

- (a) Digital transmitters, translators, and repeaters, including all facilities required to initiate DTV broadcasting. All broadcast facilities acquired with grant funds shall be capable of delivering DTV programming and HDTV programming, at both the interim and final channel and power authorizations. There is no limit to the number of transmitters or translators that may be included in an application;
- (b) Power upgrades of existing DTV transmitter equipment;
- $(c) \ Studio-to-transmitter \ links;$